

# AHCCCS fact sheet: KidsCare

KidsCare is Arizona's health care program for children under age 19. KidsCare is part of the federal State Children's Health Insurance Program, or SCHIP. Its funding source is federal Title 21, as opposed to Title 19 for Medicaid (AHCCCS). The long-established AHCCCS health care delivery system made KidsCare a likely candidate to be placed under the AHCCCS system.

## WHO QUALIFIES

KidsCare covers children under age 19 whose family incomes do not exceed 200 percent, or twice, the Federal Poverty Level.\* The child also cannot have had health insurance for the three months prior to the application, although the three months can be waived if the child has a serious or chronic health condition. The child also must not be eligible for Medicaid, must be a U.S. citizen or legal immigrant, and must provide a Social Security number. The child also cannot be eligible for state employee health insurance.

In order for the child or children to continue being eligible, someone must be willing to pay a monthly premium.

## ELIGIBILITY

AHCCCS determines eligibility for these children. By mail, application for the program requires documentation about income, a Social Security Number or citizenship or legal immigrant documents.

All applicants must be Arizona residents.

## ENROLLMENT AND DEMOGRAPHICS

The current KidsCare enrollment is 48,083. However, this is not a complete picture of KidsCare's effect. Because AHCCCS is required by the federal government to screen KidsCare applicants for Medicaid eligibility first, more than three times this number have qualified for AHCCCS instead, making KidsCare an effective health care doorway for tens of thousands of Arizona children. While KidsCare enrollment has remained flat and will continue flat into SFY 2006, the number of children applying through KidsCare but qualifying for AHCCCS continues to grow.

Demographically, this population is predominantly Hispanic and urban. Most household incomes are just above the federal poverty level. The average household size is 4, with 35 percent of households having two married parents; 38.2 percent having two parents not married; and 27.8 percent having at least one parent eligible for the parent program (HIFA).\*\*

\*200 percent of the Federal Poverty Level for a family of four is \$3,142 a month. The FPL is readjusted each year in April.

\*\*Currently, 54.6 percent of KidsCare enrollees are Hispanic; 26.7 percent are White; 7.6 percent are Native American; and 2.3 percent are African American. Some 51.5 percent are male and 48.5 percent are female. Six percent are 1 year old or younger; 22 percent are ages 2 to 5 years; 27 percent are ages 6 to 9 years; 24 percent are ages 10 to 13 years; 19 percent are ages 14 to 17 years; and 2 percent are 18 years of age. Some 41.9 percent of households had income levels between 100 percent and 150 percent of the Federal Poverty Level. Additionally, some 75 percent of KidsCare children reside in Maricopa and Pima counties.



## BACKGROUND

The State Children's Health Insurance Program, or SCHIP, began in 1997 as an optional program for children under age 19. SCHIP was to be federally supported with a higher matching rate in dollars (77.22 percent in Arizona) than for Medicaid (67.45 in Arizona). The intent was to make coverage available to approximately 40 percent of an estimated 10 million uninsured children in the country who had household incomes at or below 200 percent of the Federal Poverty Level.

Arizona implemented its SCHIP program, called KidsCare, in November 1998.

## BUDGET

	SFY 2004 actual	SFY 2005 projected	SFY 2006 requested
<b>Federal</b>	\$ 54,210,600	\$ 53,401,000	\$ 65,520,000
<b>State</b>	\$ 16,077,700	\$ 15,890,700	\$ 18,900,700
<b>Total</b>	\$ 70,288,300	\$ 69,291,700	\$ 84,420,700

Current KidsCare premiums are:

	1 child	2 or more children
101-150% of FPL	\$10/month	\$15/month total
151-175% of FPL	\$20/month	\$30/month total
176-200% of FPL	\$25/month	\$35/month total

In SFY 2004, premiums totaled \$3,178,127. Approximately 77 percent of this money was used to offset program costs of the federal government.

### EXPENDITURES BY CLAIM FORM TYPE

10/1/02-9/30/03

Professional services	\$ 20,571,021	44.8%
Pharmacy	\$ 4,712,820	10.3%
Dental services	\$ 10,520,260	22.9%
Inpatient services	\$ 4,064,940	8.9%
Outpatient hospital services	\$ 6,045,107	13.2%
Long term care services	\$ 1,065	0%
<b>Total:</b>	<b>\$ 45,915,213</b>	<b>100%</b>

## VALUE OF SERVING POPULATION

Serving this group allows other health care programs that serve the notch group (such as children's behavioral health) to use their limited federal and state dollars to address the needs of their vulnerable and low-income populations. It also avoids uncompensated care costs in emergency rooms and inpatient hospitals, increases dollars that support Arizona's health care economy, improves the health status of low-income children, and expands coverage without requiring a significant contribution from the state general fund. In addition, healthy children learn faster.



AHCCCS

<http://www.ahcccs.state.az.us/site/>

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